THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SHARAD YADAV): (a) and (b) Out of the quota of 14.81 lakh bales of cotton, released so far for export during the 1989-90 cotton season (September, 89-August, '90) a quantity of 12.29 lakh bales had been shipped till 23-8-90.

(c) All quota holders have been advised to effect exports by 31-8-90, and the concerned organisations have been approached to extend necessary help.

Request by Andhra Pradesh Government to Central Government to bear the burden of 100 per cent waiver of *cooperative loans*

2667. SHRI TALARI MANOHAR: Will the Minister of FINANCE pleased to state:

(a) whether it is a fact that the Andhra Pradesh Government requested the Central Government to bear burden of 100 per cent waiver of cooperative loans;

(b) whether it is also a fact that the State Government had made it clear that because of the recent cyclone the State Government could not bear even the fifty per cent of the waiver as suggested by the Central Government; and

(c) if so, what is Central Government reaction thereto?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) Such issues have been raised by the representatives of the State Government in the meetings taken by the Government of India and National Bank for Agriculture and Rural Development (NABARD). No formal proposals in this regard have been received from the State Government.

According to the decisions of the Central Government with regard to implementation of debt relief scheme, the Central Government would meet the full cost of write off in respect of public sector banks and regional rural banks. In case of co-operative banks 50 per cent of the cost shall be borne by the Government of India. The remaining 50 per cent would be met by State Governments, and to meet their share, State Co-operative Bank can avail concessional loan from NABARD. At present, there is no proposal under consideration of the Government to revise/modify the above decisions.

Rate of inflation

2668. SHRI RAJUBHAI A. PARMAR:

SHRIMATI KAILASHPATI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that rate of inflation has increased considerably during the first six months of 1990-91;

(b) if so, is this trend likely to continue in the remaining months of the year; and

(c) what steps Government propose to take in order to contain this growing inflation so as to mitigate the hardship of the common man?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) to (c) It is not clear whether Hon'ble Members are referring to the financial year 1990-91, in which case the six months are not yet over, or the calender year 1990. It is also not clear whether information is required for the annual inflation rate or the price rise during the six months only. In either

case the requisite data in terms of Wholesale Price Index are as under:

	1990-91 as on 11-8-90	(Calendar year 1990)
Price rise	4·7	6·7 (Jan.—June)
Annual Inflation	7·4	9·0 (end June ,90)
Rate	(9.1)*	7·8 (*end Dec. '89*)

*Inflation rate at the end of March, 1990.

It may be observed that the annual inflation rate as on 11-8-1990 is lower as compared to what it was at the end of June 1990 or at the end of March 1990. The rise in prices is largely due to seasonal factors associated with the marketing of agricultural crops, which remain in operation upto the middle of September.

The Government has adopted a package of measures to contain price rise. These include a reduction in the budget deficit, strict economy in Government expenditure, distribution of essential commodities through public distribution system, augmenting domestic supplies through imports, as feasible, and action against hoarders and black-marketeers.

Impact of increased aid to East European countries by developed countries and International Financial Institution on India

2669. SHRI S. MADHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have examined as to how the increased aid to East European countries by the developed countries and international financial institutions will affect the quantum of aid to our country; and

(b) what steps are being taken to avoid a cut in the financial aid to our country from those agencies/countries?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) An increase in aid to Eastern Europe by developed countries and international financial institutions is not likely to adversely affect the quantum of aid to India.

Selling of individual units of Metal Box by BIFR

2670. SHRI GURUDAS DAS GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Board for Industrial and Financial Reconstruction (BIFR) has decided to sell off individual units of the Metal Box; and

(b) if so, what are the details in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI ANIL SHASTRI): (a) and (b) Presently, the case of M/s. Metal Box India Ltd. is under the consideration of BIFR, a quasi-judicial body, who would be deciding it in due course in accordance with provisions contained in Sick Industrial Companies (Special Provisions) Act, 1985 and procedures laid down in the regulations framed thereunder.

In the last hearing of the case, Board for Industrial and Financial Reconstruction (BIFR) observed that the rehabilitation of the company, as